

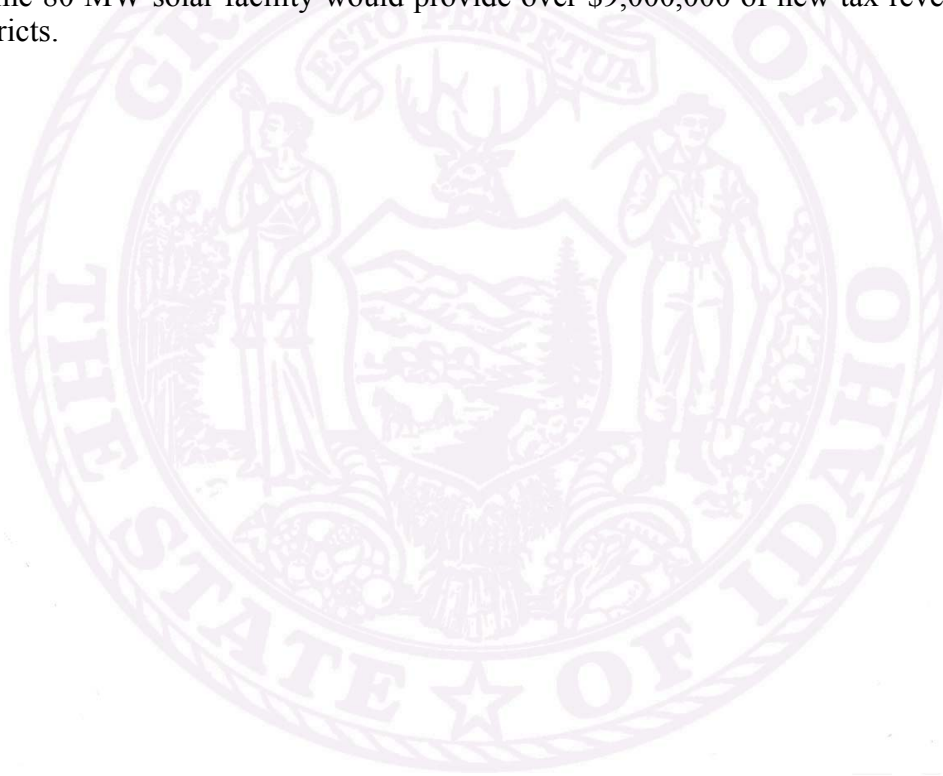
STATEMENT OF PURPOSE

RS23363C1

The purpose of this proposed legislation is to include solar electric producers under the identical tax provisions of Idaho Code as producers of wind and geothermal energy, subjecting solar electricity producers to a tax on the production of electricity in lieu of a property tax. The legislation also clarifies that the 3% production tax only applies to wind, geothermal or solar energy facilities that are capable of producing more than one megawatt of electricity.

FISCAL NOTE

This legislation has no impact on state revenues. For a solar facility capable of producing 80 megawatts (MW) of electricity it is anticipated that in the first full year of operation, the 3% production tax would produce approximately an additional \$320,000 of revenues for local taxing districts. Tax revenues to local taxing districts would continue to increase over a 20 year period as gross receipts to the solar facility also increase. Over the same 20 year period it is estimated that the same 80 MW solar facility would provide over \$9,000,000 of new tax revenues to local taxing districts.



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